

# Provider Summary of Inpatient Per Diem Rates Engagement Meeting 5/7/2019

## Welcome Message and Meeting Etiquette (Slides 1-3, Time 00:00-01:40)

- Webinar Rules
- Introductions
- Survey

## Where are we? (Slide 4, Time 01:40-02:58)

State Plan Amendment (SPA)

- Submitted November 2018
- Currently working with CMS for final approval

Medical Services Board (MSB)

- Initially reviewed December 2018 with adoption in January 2019
- Returned to MSB March 2019 for language clarification, adopted April 2019

System Update for July 1, 2019 Launch

- System Change Request has been prioritized to be worked
- Working to have system ready as close to July 1, 2019 as possible

## Final Per Diem Calculation (Slide 5, Time 02:58-04:35)

Per Diem calculated based on Fiscal Year 2017 Claims (includes 1% & 1.4% increase) (Table of Rates Shared)

After Fiscal Year 2019-20 1% increase (Table of Rates Shared)

## Clarification on Implementation Dates (Slides 6-7, Time 04:35-07:39)

**\*Important Note:** As of May 22, the decision was made to have providers submit two claims when a client's stay crosses over the July 1, 2019 implementation date, the first claim will be end dated as of June 30, 2019 to be processed under APR-DRG reimbursement methodology. The second claim will resume as of July 1, 2019 and the payment will be calculated using the new Per Diem methodology.

**\*The remainder of this topic is the information as it was presented in the engagement meeting.**

All claims with a discharge date on or after July 1, 2019 will be subject to the per diem pricing.

This is in line with prior implementations of the annual budgetary increase to the rates, APR-DRG implementation (January 1, 2014) and EAPG implementation (October 31, 2016)

It is possible for the payment methodology for a client's stay to change if they are admitted before July 1st and discharged after.

Example:

Client is transferred to a LTAC/Rehab/Spine May 15, 2019. An interim claim is filed for dates of service through June 16, 2019. Client is discharged July 15, 2019. The interim would have been paid using the APR-DRG logic. The final claim which will void the interim claim will use the new Per Diem methodology.

This may result in a takeback, additional payment or neutral payout. Please utilize the APR-DRG to Per Diem calculator on our webpage, [Inpatient Hospital Per Diem Rates](#).

#### **Open Floor (Slide 8, Time 07:39-13:51)**

Do you have questions or clarifications needed for our July 1, 2019 launch?

#### **Future Per Diem Work (Slide 9, Time 13:51-19:14)**

##### *Starting to work*

- Calculation of different per diem starting points
- Researching options for value based components
- Building in severity components

##### *Potential modifications for the future:*

- Continue with three (3) categories:
  - Long Term Acute Care, Rehabilitation and Spine/Brain Injury Treatment Specialty (Distinct Part Units still excluded)
- Two (2) part Per Diem
  - Base per diem
    - Covers facility costs including: monthly building expenses, basic administration costs, utility cost, equipment upkeep
  - Severity per diem
    - Utilize different levels
    - Encompasses staff required to care for client
- Quality components

#### **Future Meetings (Slide 10, Time 19:14-20:46)**

We will have one more meeting prior to July 1<sup>st</sup> to go over any final details and questions.

We will start regular meetings again as we begin to work out details of potential modifications.

Meetings will be announced via:

- Email
- Hospital Stakeholder Engagement Meeting Webpage

- Provider Bulletin
- Preceding Hospital Stakeholder Engagement Meeting (when possible)

**Questions and Discussion (Slide 11, Time 20:46-24:39)**